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|---------------------------------|---|-------------------------------|---|
| <i>SERFF Tracking Number:</i> | <i>AENX-G127297663</i> | <i>State:</i> | <i>Arkansas</i> |
| <i>Filing Company:</i> | <i>Aetna Life Insurance Company</i> | <i>State Tracking Number:</i> | <i>49165</i> |
| <i>Company Tracking Number:</i> | <i>AR045950100002</i> | | |
| <i>TOI:</i> | <i>H16G Group Health - Major Medical</i> | <i>Sub-TOI:</i> | <i>H16G.001C Any Size Group - Other</i> |
| <i>Product Name:</i> | <i>2011 HCR- ALIC Policy Prov (Rebates-Retro Term-Pre</i> | | |
| <i>Project Name/Number:</i> | <i>2011 HCR- ALIC Policy Prov (Rebates-Retro Term-PremContrib)/AR045950100002</i> | | |

Filing at a Glance

Company: Aetna Life Insurance Company

Product Name: 2011 HCR- ALIC Policy Prov (Rebates-Retro Term-Pre

TOI: H16G Group Health - Major Medical

Sub-TOI: H16G.001C Any Size Group - Other

Filing Type: Form

SERFF Tr Num: AENX-G127297663

SERFF Status: Closed-Approved-Closed

Co Tr Num: AR045950100002

Author: SPI AetnaSPI

Date Submitted: 06/29/2011

State: Arkansas

State Tr Num: 49165

State Status: Approved-Closed

Reviewer(s): Rosalind Minor

Disposition Date: 06/30/2011

Disposition Status: Approved-Closed

Implementation Date:

Implementation Date Requested: On Approval

State Filing Description:

General Information

Project Name: 2011 HCR- ALIC Policy Prov (Rebates-Retro Term-PremContrib)

Project Number: AR045950100002

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Group Market Type: Employer

Filing Status Changed: 06/30/2011

State Status Changed: 06/30/2011

Created By: SPI AetnaSPI

Corresponding Filing Tracking Number:

PPACA: Not PPACA-Related

PPACA Notes: null

Filing Description:

The purpose of this filing is to amend the ALIC group policy in response to PPACA regulations concerning Retroactive Termination and Premium Rebate Allocation and Distribution

Status of Filing in Domicile:

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Group

Group Market Size: Small and Large

Overall Rate Impact:

Deemer Date:

Submitted By: SPI AetnaSPI

Company and Contact

SERFF Tracking Number: AENX-G127297663 State: Arkansas
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Product Name: 2011 HCR- ALIC Policy Prov (Rebates-Retro Term-Pre
Project Name/Number: 2011 HCR- ALIC Policy Prov (Rebates-Retro Term-PremContrib)/AR045950100002

Filing Contact Information

John Ciesielski, Product and Regulatory CiesielskiJW@Aetna.com
Approvals Manager
151 Farmington Avenue 860-279-1282 [Phone]
Mail Stop RW61 860-952-2069 [FAX]
Hartford, CT 06156

Filing Company Information

Aetna Life Insurance Company CoCode: 60054 State of Domicile: Connecticut
151 Farmington Avenue Group Code: 1 Company Type:
Hartford, CT 06156 Group Name: Aetna State ID Number:
(860) 273-7546 ext. [Phone] FEIN Number: 06-6033492

Filing Fees

Fee Required? No
Retaliatory? No
Fee Explanation:
Per Company: No

| COMPANY | AMOUNT | DATE PROCESSED | TRANSACTION # |
|------------------------------|----------|----------------|---------------|
| Aetna Life Insurance Company | \$0.00 | 06/29/2011 | |
| Aetna Life Insurance Company | \$300.00 | 06/30/2011 | 49278319 |

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 Project Name/Number: 2011 HCR- ALIC Policy Prov (Rebates-Retro Term-PremContrib)/AR045950100002

Correspondence Summary

Dispositions

| Status | Created By | Created On | Date Submitted |
|-----------------|----------------|------------|----------------|
| Approved-Closed | Rosalind Minor | 06/30/2011 | 06/30/2011 |

Objection Letters and Response Letters

| Objection Letters | | | | Response Letters | | |
|---------------------------|----------------|------------|----------------|------------------|------------|----------------|
| Status | Created By | Created On | Date Submitted | Responded By | Created On | Date Submitted |
| Pending Industry Response | Rosalind Minor | 06/30/2011 | 06/30/2011 | SPI AetnaSPI | 06/30/2011 | 06/30/2011 |

SERFF Tracking Number: *AENX-G127297663* *State:* *Arkansas*
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Product Name: *2011 HCR- ALIC Policy Prov (Rebates-Retro Term-Pre*
Project Name/Number: *2011 HCR- ALIC Policy Prov (Rebates-Retro Term-PremContrib)/AR045950100002*

Disposition

Disposition Date: 06/30/2011

Implementation Date:

Status: Approved-Closed

HHS Status: HHS Approved

State Review: Reviewed-No Actuary

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: AENX-G127297663 State: Arkansas

Filing Company: Aetna Life Insurance Company State Tracking Number: 49165

Company Tracking Number: AR045950100002

TOI: H16G Group Health - Major Medical Sub-TOI: H16G.001C Any Size Group - Other

Product Name: 2011 HCR- ALIC Policy Prov (Rebates-Retro Term-Pre

Project Name/Number: 2011 HCR- ALIC Policy Prov (Rebates-Retro Term-PremContrib)/AR045950100002

| Schedule | Schedule Item | Schedule Item Status | Public Access |
|---------------------|---|----------------------|---------------|
| Supporting Document | Flesch Certification | Approved-Closed | Yes |
| Supporting Document | Application | Approved-Closed | Yes |
| Supporting Document | PPACA Uniform Compliance Summary | Approved-Closed | Yes |
| Supporting Document | ALIC HCR PolProv CovLtr, Attach A | Approved-Closed | Yes |
| Supporting Document | EOV GR-29N, 05-03, EOV GR-29N, 05-18, EOV, GR-29N, 06-01, EOV, GR-29, 11502-1, EOV, GR-29, 11496-1, EOV, GR-29, 12439 | Approved-Closed | Yes |
| Form | Retroactive Termination | Approved-Closed | Yes |
| Form | Rebate Allocations | Approved-Closed | Yes |
| Form | Retroactive Termination | Approved-Closed | Yes |
| Form | Retroactive Termination | Approved-Closed | Yes |
| Form | Retroactive Termination | Approved-Closed | Yes |
| Form | Rebate Allocations | Approved-Closed | Yes |

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Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 06/30/2011

Submitted Date 06/30/2011

Respond By Date

Dear John Ciesielski,

This will acknowledge receipt of the captioned filing.

Objection 1

- Retroactive Termination, GR-29N 05-03 04 (Form)
- Rebate Allocations, GR-29N 05-18 01 (Form)
- Retroactive Termination, GR-29N 06-01 02 (Form)
- Retroactive Termination, GR-29 11502-1 ED. 3-11 (Form)
- Retroactive Termination, GR-29 11496-1 ED. 3-11 (Form)
- Rebate Allocations, GR-29 12439 ED. 3-11 (Form)

Comment:

Our filing fees under Rule and Regulation 57 have been updated. Please review the General Instructions for ArkansasLH or Rule and Regulation 57.

The fee for this submission is \$50.00 per form for a total of \$300.00. Please submit the \$300.00 for this submission.

We will begin our review of this submission upon receipt of the additional filing fee.

Please feel free to contact me if you have questions.

Sincerely,

Rosalind Minor

SERFF Tracking Number: AENX-G127297663 State: Arkansas
Filing Company: Aetna Life Insurance Company State Tracking Number: 49165
Company Tracking Number: AR045950100002
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Product Name: 2011 HCR- ALIC Policy Prov (Rebates-Retro Term-Pre
Project Name/Number: 2011 HCR- ALIC Policy Prov (Rebates-Retro Term-PremContrib)/AR045950100002

Response Letter

Response Letter Status Submitted to State
Response Letter Date 06/30/2011
Submitted Date 06/30/2011

Dear Rosalind Minor,

Comments:

Filing fee included

Response 1

Comments: Filing fee included

Related Objection 1

Applies To:

- Retroactive Termination, GR-29N 05-03 04 (Form)
- Rebate Allocations, GR-29N 05-18 01 (Form)
- Retroactive Termination, GR-29N 06-01 02 (Form)
- Retroactive Termination, GR-29 11502-1 ED. 3-11 (Form)
- Retroactive Termination, GR-29 11496-1 ED. 3-11 (Form)
- Rebate Allocations, GR-29 12439 ED. 3-11 (Form)

Comment:

Our filing fees under Rule and Regulation 57 have been updated. Please review the General Instructions for ArkansasLH or Rule and Regulation 57.

The fee for this submission is \$50.00 per form for a total of \$300.00. Please submit the \$300.00 for this submission.

We will begin our review of this submission upon receipt of the additional filing fee.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

SERFF Tracking Number: *AENX-G127297663* *State:* *Arkansas*
Filing Company: *Aetna Life Insurance Company* *State Tracking Number:* *49165*
Company Tracking Number: *AR045950100002*
TOI: *H16G Group Health - Major Medical* *Sub-TOI:* *H16G.001C Any Size Group - Other*
Product Name: *2011 HCR- ALIC Policy Prov (Rebates-Retro Term-Pre*
Project Name/Number: *2011 HCR- ALIC Policy Prov (Rebates-Retro Term-PremContrib)/AR045950100002*

No Rate/Rule Schedule items changed.

Sincerely,
SPI AetnaSPI

SERFF Tracking Number: AENX-G127297663 State: Arkansas

Filing Company: Aetna Life Insurance Company State Tracking Number: 49165

Company Tracking Number: AR045950100002

TOI: H16G Group Health - Major Medical Sub-TOI: H16G.001C Any Size Group - Other

Product Name: 2011 HCR- ALIC Policy Prov (Rebates-Retro Term-Pre

Project Name/Number: 2011 HCR- ALIC Policy Prov (Rebates-Retro Term-PremContrib)/AR045950100002

Form Schedule

Lead Form Number:

| Schedule Item | Form Number | Form Type Form Name | Action | Action Specific Data | Readability | Attachment |
|-------------------------------|------------------------------|---|---------|----------------------|-------------|---|
| Approved-Closed 06/30/2011 | GR-29N 05-03 04 | Policy/Cont Retroactive ract/Fratern Termination al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider | Initial | | 49.200 | AL GE GR29N00050 3 V004.PDF |
| Approved-Closed 06/30/2011 | GR-29N 05-18 01 | Policy/Cont Rebate Allocations ract/Fratern al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider | Initial | | 54.400 | AL GE GR29N00051 8 V001.PDF |
| Approved-Closed 06/30/2011 | GR-29N 06-01 02 | Policy/Cont Retroactive ract/Fratern Termination al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider | Initial | | 45.300 | AL GE GR29N00060 1 V002.PDF |
| Approved-Closed 06/30/2011 | GR-29 11502-1 ED. 3-11 | Policy/Cont Retroactive ract/Fratern Termination al Certificate: | Initial | | 45.800 | AL GE GR29001150 2-1 V001 .PDF |

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| <i>Product Name:</i> | <i>2011 HCR- ALIC Policy Prov (Rebates-Retro Term-Pre</i> | | |
| <i>Project Name/Number:</i> | <i>2011 HCR- ALIC Policy Prov (Rebates-Retro Term-PremContrib)/AR045950100002</i> | | |
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| | Page, | | |
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| Approved- GR-29 | Policy/Cont Retroactive | Initial | 48.000 |
| Closed 11496-1 | ract/Fratern Termination | | |
| 06/30/2011 ED. 3-11 | al | | AL GE |
| | Certificate: | | GR29001149 |
| | Amendmen | | 6-1 V001.PDF |
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| | nt or Rider | | |
| Approved- GR-29 | Policy/Cont Rebate Allocations | Initial | 52.800 |
| Closed 12439 ED. | ract/Fratern | | |
| 06/30/2011 3-11 | al | | AL GE |
| | Certificate: | | GR29000124 |
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SECTION 3. PREMIUMS [AND FEES] (Continued)

Changes in Premium. We may also change the Premium rates [and fees] effective as of any Premium Due Date upon [30 – 120 days] prior written notice to the [Policyholder]. [However, no such adjustment will be made during the Initial Term except:

- when there is a significant change in factors bearing a material impact on the risk assumed by **Aetna**; or
- to reflect changes in any law or regulation that applies or a judicial decision having a material impact on the cost of providing Coverage.]

Retroactive Adjustments. We may, at Our discretion, make retroactive adjustments to the [Policyholder's] billings for the coverage termination of persons not posted to previous billings. However, the [Policyholder] may only receive a maximum of [1 – 3 month's] credit for terminations that occurred more than [30 - 120 days] before the date the [Policyholder] notified Us of the termination. We may reduce any such credits by the amount of any payments We may have made on behalf of such persons before We were informed their coverage had been terminated. Retroactive additions will be made at Our discretion based upon eligibility guidelines stated in the [Booklet-Certificate], and are subject to the payment of all premiums that apply.

[As to Life, Accident, Disability, Pharmacy, Medical, Dental, Hearing and Vision insurance coverage:]

Notwithstanding the foregoing, We will not make a retroactive adjustment for any covered person who has paid the required premium contribution. When retroactive terminations are submitted by the [Policyholder], or on the [Policyholder's] behalf, We will regard the submission as proof that the required Premium contribution was not paid by the person(s) for that period.

[Premium Rate Reduction For Failure to Meet Performance Guarantees. We may reduce the Policyholder's premium due to Our failure to provide the agreed upon levels of service. Such service levels are guaranteed by Us and agreed to in writing by Us and the Policyholder.

The reduction is based upon a percentage of the projected annual premium which is due over the term of the period for which service levels are guaranteed. The reduction amount will be credited, toward either future or prior premiums, [at the end of the policy year].

The reduction will apply only to the [Life Insurance] coverage issued under this Policy.

The terms of the Performance Guarantees are set forth in the [Service Agreement].]

SECTION 3. PREMIUMS [AND FEES] (Continued)

Medical [and Prescription Drug] Coverage

Premium Rebate Allocation and Distribution. If this Policy terminates for any reason, this provision shall survive such termination.

[The following provision applies to this Policy when the [Policyholder] distributes the Premium rebates:

Once a year We will calculate the medical loss ratios (MLR) for this Plan in line with any federal [and state] MLR requirements that apply. We will notify the [Policyholder] by [January - December] of each [Policy year], of any Premium rebate amount owed collectively to the:

- [Policyholder]; and
- covered and former covered persons;

who are entitled to Premium rebates under this Policy.

When covered persons are entitled to Premium rebates, the [Policyholder] agrees to send out prorated rebates to covered persons once a year in the amount proportionate to the amount of Premium the [Policyholder] and each covered person paid. The rebates shall be sent by the [Policyholder] in line with any federal [and state] MLR requirements that apply.

We will provide the [Policyholder] with rebate funding and the *[Notice of Rebates Form]*. The [Policyholder] agrees to include the *[Notice of Rebates Form]* along with each covered person's rebate check.

The [Policyholder] will:

- comply with any federal [and state] MLR requirements that apply with regard to unclaimed rebates; or
- refund to Us any unclaimed rebates within [30-120 days] of sending out a rebate check.]

This is required so that We can comply with any federal [and state] MLR requirements that apply as to unclaimed rebates.

The [Policyholder] agrees to provide Us with their records of all MLR rebates within [10-60 days] after such rebates are due under any federal [and state] requirements that apply, or upon request, whichever is sooner. The information must be in an electronic, hard copy or other format, as required by Us. Such records shall include but are not limited to:

- the amount of Premium paid by each covered person and the [Policyholder]; and
- the amount of the rebate provided to each covered person and the [Policyholder]; and
- the amount of any unclaimed rebate; and
- how and when the rebate was disbursed.

The [Policyholder] agrees that pursuant to *[Section 7. Policy and Procedures]* of this Policy, We may establish guidelines to audit a sample of these reports. The audit will allow Us to confirm that the amounts distributed are consistent with the [Policyholder's] pro rata formula.]

SECTION 3. PREMIUMS [AND FEES] (Continued)

Medical [and Prescription Drug] Coverage (continued)

Premium Rebate Allocation and Distribution (continued)

[The following provision applies to this Policy when Aetna distributes the Premium rebates:

Once a year, We will calculate the medical loss ratios (MLR) for this Plan in line with any federal [and state] MLR requirements that apply.

The [Policyholder] will provide Us with the necessary Premium contribution and information regarding covered persons when the:

- [Policyholder]; and
- covered and former covered persons;

are entitled to Premium rebates under this Policy.

This data is required so that We can:

- make the MLR rebates directly to the [Policyholder] and, if applicable, to covered persons; and
- comply with any federal [and state] MLR requirements that apply.

The [Policyholder] must provide the required information, along with necessary updates, to Us no later than [January - December] of each [Policy year]. The information must be in an electronic, hard copy or other format, as required by Us. Such records shall include but are not limited to:

- [• the amount of Premium paid by each covered person and the Policyholder; or
- the percentage of total Premium paid by each covered person and the Policyholder.]]

SECTION 4. RESPONSIBILITIES OF THE [POLICYHOLDER]

[Records. The Policyholder will furnish to Us such information as We may reasonably require to administer this Policy. This will occur on a monthly basis or as otherwise required. This data may be on our form or by fax. It may also be on such other form or means as We may reasonably approve. This includes, but is not limited to:

- Data needed to enroll the Policyholder's employees [and their dependents].
- Process terminations;
- Effect changes in family status.
- Transfer of employment of employees.

The Policyholder represents that all enrollment and eligibility information that has been; or will be; supplied to Us is correct. The Policyholder acknowledges that We can; and will; rely on such enrollment and eligibility data to determine whether a person is eligible for coverage under this Policy. To the extent such data is supplied to Us by the Policyholder (in electronic or hard copy format), the Policyholder agrees to:

- Maintain a reasonably complete record of such data in the same format. This includes:
 - Evidence of coverage elections.
 - Evidence of eligibility.
 - Changes to such elections.
 - Terminations.

Records must be kept for at least seven years or until the final rights and duties under this Policy have been resolved.

- Make such data available to Us upon request.
- [• If it applies, obtain from all employees [and their dependents] ["a *Disclosure of Healthcare Information*"] authorization in the form currently being used by Us in the enrollment process (or such other form as We may reasonably approve).]

We will not be liable to covered persons for the fulfillment of any obligation prior to information being received in a form which We will accept. For the purpose of termination of coverage under this Policy, the Policyholder must notify Us of the date in which:

- an employee's employment ceases; or
- a dependent loses eligibility under the Plan;

within [5-15 business days] of the event. Subject to any law that applies, unless otherwise provided in the Booklet-Certificate, We will consider an employee's employment to continue until stopped by the Policyholder.

The Policyholder must notify persons of the termination of the Policy in compliance with all laws that apply. However, We reserve the right to notify covered persons of termination of the Policy for any reason. This includes non-payment of premium. The Policyholder shall provide written notice to covered persons of their rights when coverage stops.

[As to Life, Accident, Disability, Pharmacy, Medical, Dental, Hearing and Vision insurance coverage:]

The Policyholder must notify Us when a request for retroactive termination is a result of a covered person:

- performing an act; practice; or omission that constitutes fraud; or
- making an intentional misrepresentation of material fact as prohibited by the Booklet-Certificate.]

Access. Make payroll and other records directly related to a covered person's coverage under this Policy available to Us for inspection. This will occur:

- upon reasonable advance request;
- at Our expense;
- at the Policyholder's office; and
- during regular business hours.

This provision shall survive termination of this Policy.

Forms. Distribute materials to employees regarding enrollment and coverage features. This includes Booklet-Certificates as described in the Booklet-Certificates provision of Policy Section 7; *General Provisions.*]

SECTION 4. RESPONSIBILITIES OF THE [POLICYHOLDER] (Continued)

[Policies and Procedures; Compliance Verification.] Comply with all policies and procedures established by Us in administering and interpreting this Policy. The Policyholder shall, upon request, provide a certification of its compliance with Our participation and contribution requirements. The Policyholder shall, upon request, submit proof that it continues to meet the definition of an eligible group as provided under any law or regulation that applies.

Continuation Rights [and Conversion]. Notify all eligible covered persons of their right to continue coverage pursuant to the continuation provisions in the [Booklet-Certificate] and any law that applies; [and provide notification to each covered person within [15-60 days] after termination of coverage of their conversion right. This includes:

- A description of plans available.
- Premium Rates.
- Application forms.]

[Policyholder] and Insurance Company Matters (Continued)

[Retroactive Adjustments]

Aetna may, at its discretion, make retroactive adjustments to the Policyholder's billings. This will occur for the coverage termination of persons not posted to previous billings. However, the Policyholder may only receive a maximum of [1-3 month's] credit for terminations that occurred more than [30-120 days] before the date the Policyholder notified Aetna of the termination. Aetna may reduce any such credits by the amount of any payments Aetna may have made on behalf of such persons before Aetna was informed their coverage had been terminated.

Retroactive additions will be made at Aetna's discretion. They will be based upon eligibility guidelines stated in the [Booklet-Certificate]. They will be subject to the payment of all premiums that apply.

[As to Life, Accident, Disability, Pharmacy, Medical, Dental, Hearing and Vision insurance coverage:]

Notwithstanding the foregoing, Aetna will not make a retroactive adjustment for any covered person who has paid the required premium contribution. When retroactive terminations are submitted by the Policyholder, or on the Policyholder's behalf, Aetna will regard the submission as proof that the required premium contribution was not paid by the person(s) for that period.]

[Grace Period]

A grace period of [30-60 consecutive days] after the due-date will be allowed the Policyholder for the payment of each premium and fee. If premiums and fees are not paid by the end of the Grace Period, the policy will automatically terminate at the end of the Grace Period.]

[Policyholder] and Insurance Company Matters (Continued)

Duties of the [Policyholder]

The [Policyholder] and each Member Employer must give Aetna such information, as Aetna may reasonably require, to administer this Policy and must agree to:

[1.] Maintain a reasonably complete record of such information in electronic or hard copy format, including but not limited to:

evidence of coverage elections;

evidence of eligibility;

changes to such elections; and

terminations;

for at least seven years or until the final rights and duties under this Policy have been resolved; and to make such information available to Aetna upon request.

[2. Obtain from:
the Policyholder;

each Member Employer; and

[all employees [and their dependents] a “*Disclosure of Healthcare Information*” authorization in the form currently being used by Aetna in the enrollment process or such other form as Aetna may reasonably approve.]

The information shall be provided when requested:
on Aetna forms; or

such other forms as Aetna may approve.

All data which may have a bearing on insurance or premiums will be open for Aetna to inspect while this Policy is in force.

Aetna will not be liable to covered persons for the fulfillment of any obligation prior to information being received in a form satisfactory to Aetna. For the purpose of termination of coverage under this Policy, the [Policyholder] must notify Aetna of the date in which:

an employee’s employment ceases; or

a dependent loses eligibility under the Plan;

within [5-15 business days] of the event. Subject to any law that applies, unless otherwise provided in the [Booklet-Certificate], Aetna will consider an employee’s employment to continue until stopped by the [Policyholder].

The [Policyholder] must notify covered persons of the termination of this Policy in compliance with all laws that apply. However, Aetna reserves the right to notify covered persons of the termination of this Policy for any reason. This includes non-payment of premium. The [Policyholder] shall provide written notice to covered persons of their rights upon termination of coverage.

[Policyholder] and Insurance Company Matters (Continued)

Duties of the [Policyholder] (continued)

[As to Life, Accident, Disability, Pharmacy, Medical, Dental, Hearing and Vision insurance coverage:]

The [Policyholder] must notify Aetna when a request for retroactive termination is a result of a covered person:

- performing an act; practice; or omission that constitutes fraud; or
- making an intentional misrepresentation of material fact as prohibited by the [Booklet-Certificate].

The [Policyholder] must:

[notify all eligible persons of their right to continue coverage under COBRA and any state law that apply; and]

provide notification to each person, within [15-30 days] after termination of coverage, of their conversion right, including:

a description of plans available;

premium rates;

and application forms.

[Policyholder] and Insurance Company Matters (Continued)

Premium Rebate Allocation and Distribution

This provision applies to Medical [and Prescription Drug] Coverage. If this Policy terminates for any reason, this provision shall survive such termination.

[The following provision applies to this Policy when the [Policyholder] distributes the Premium rebates:]

Once a year Aetna will calculate the medical loss ratios (MLR) for this Plan in line with any federal [and state] MLR requirements that apply. Aetna will notify the [Policyholder] by [January - December] of each [Policy year], of any Premium rebate amount owed collectively to the:

- [Policyholder]; and
- covered and former covered persons;

who are entitled to Premium rebates under this Policy.

When covered persons are entitled to Premium rebates, the [Policyholder] agrees to send out prorated rebates to covered persons once a year in the amount proportionate to the amount of Premium the [Policyholder] and each covered person paid. The rebates shall be sent by the [Policyholder] in line with any federal [and state] MLR requirements that apply.

Aetna will provide the [Policyholder] with rebate funding and the [Notice of Rebates Form]. The [Policyholder] agrees to include the [Notice of Rebates Form] along with each covered person's rebate check.

The [Policyholder] will:

- comply with any federal [and state] MLR requirements that apply with regard to unclaimed rebates; or]
- refund to Aetna any unclaimed rebates within [30-120 days] of sending out a rebate check.]

This is required so that Aetna can comply with any federal [and state] MLR requirements that apply as to unclaimed rebates.

The [Policyholder] agrees to provide Aetna with their records of all MLR rebates within [10-60 days] after such rebates are due under any federal [and state] requirements that apply, or upon request, whichever is sooner. The information must be in an electronic, hard copy or any other format, as required by Aetna. Such records shall include but are not limited to:

- the amount of Premium paid by each covered person and the [Policyholder]; and
- the amount of the rebate provided to each covered person and the [Policyholder]; and
- the amount of any unclaimed rebate; and
- how and when the rebate was disbursed.

The [Policyholder] agrees that pursuant to the [Administrative Matters] section of this Policy, Aetna may establish guidelines to audit a sample of these reports. The audit will allow Aetna to confirm that the amounts distributed are consistent with the [Policyholder's] pro rata formula.]

[Policyholder] and Insurance Company Matters (Continued)

Premium Rebate Allocation and Distribution (continued)

[The following provision applies to this Policy when Aetna distributes the Premium rebates:

Once a year, Aetna will calculate the medical loss ratios (MLR) for this Plan in line with any federal [and state] MLR requirements that apply.

The [Policyholder] will provide Aetna with the necessary Premium contribution and information regarding covered persons when the:

- [Policyholder]; and
- covered and former covered persons;

are entitled to Premium rebates under this Policy.

This data is required so that Aetna can:

- make the MLR rebates directly to the [Policyholder] and, if applicable, to covered persons; and
- comply with any federal [and state] MLR requirements that apply.

The [Policyholder] must provide the required information, along with necessary updates, to Aetna no later than [January - December] of each [Policy year]. The information must be in an electronic, hard copy or other format, as required by Aetna. Such records shall include but are not limited to:

- the amount of Premium paid by each covered person and the Policyholder; or]
- the percentage of total Premium paid by each covered person and the Policyholder.]]

SERFF Tracking Number: AENX-G127297663 State: Arkansas
 Filing Company: Aetna Life Insurance Company State Tracking Number: 49165
 Company Tracking Number: AR045950100002
 TOI: H16G Group Health - Major Medical Sub-TOI: H16G.001C Any Size Group - Other
 Product Name: 2011 HCR- ALIC Policy Prov (Rebates-Retro Term-Pre
 Project Name/Number: 2011 HCR- ALIC Policy Prov (Rebates-Retro Term-PremContrib)/AR045950100002

Supporting Document Schedules

| | Item Status: | Status Date: |
|---|-----------------|-----------------|
| Satisfied - Item: Flesch Certification | Approved-Closed | 06/30/2011 |
| Comments: | | |
| Attachment: | | |
| AR - READABILITY CERTIFICATION.PDF | | |

| | Item Status: | Status Date: |
|--------------------------------------|-----------------|-----------------|
| Bypassed - Item: Application | Approved-Closed | 06/30/2011 |
| Bypass Reason: not applicable | | |
| Comments: | | |

| | Item Status: | Status Date: |
|--|-----------------|-----------------|
| Bypassed - Item: PPACA Uniform Compliance Summary | Approved-Closed | 06/30/2011 |
| Bypass Reason: not applicable | | |
| Comments: | | |

| | Item Status: | Status Date: |
|--|-----------------|-----------------|
| Satisfied - Item: ALIC HCR PolProv CovLtr, Attach A | Approved-Closed | 06/30/2011 |
| Comments: | | |
| Attachments: | | |
| ar ALIC PolicyProv CovLtr.PDF | | |
| AttachA HCRPolicyProv.PDF | | |

| | Item Status: | Status Date: |
|---|-----------------|-----------------|
| Satisfied - Item: EOVS GR-29N, 05-03, EOVS GR- | Approved-Closed | 06/30/2011 |

SERFF Tracking Number: AENX-G127297663 State: Arkansas
Filing Company: Aetna Life Insurance Company State Tracking Number: 49165
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Product Name: 2011 HCR- ALIC Policy Prov (Rebates-Retro Term-Pre
Project Name/Number: 2011 HCR- ALIC Policy Prov (Rebates-Retro Term-PremContrib)/AR045950100002
29N, 05-18, EOVS, GR-29N, 06-01,
EOVS, GR-29,11502-1, EOVS, GR-
29, 11496-1, EOVS, GR-29, 12439

Comments:

Attachments:

AL GE EGR29N00503 V004.PDF
AL GE EGR29N00518 V001.PDF
AL GE EGR29N00601 V002.PDF
AL GE EGR29011502-1 V001.PDF
AL GE EGR29011496-1 V001.PDF
AL GE EGR290012439 V001.PDF

STATE OF ARKANSAS
READABILITY CERTIFICATION

COMPANY NAME: Aetna Life Insurance Company

This is to certify that the form(s) referenced below has achieved a Flesch Reading Ease Score as indicated below and complies with the requirements of Ark. Stat. Ann. Section 66-3251 through 66-3258, cited as the Life and Disability Insurance Policy Language Simplification Act.

| Form Number | Score |
|------------------------|-------|
| GR-29N 05-03 04 | 49.2 |
| GR-29N 05-18 01 | 54.4 |
| GR-29N 06-01 02 | 45.3 |
| GR-29 11502-1 ED. 3-11 | 45.8 |
| GR-29 11496-1 ED. 3-11 | 48 |
| GR-29 12439 ED. 3-11 | 52.8 |

Signed: John W Ciesielski
Name: John Ciesielski
Title: Senior Consultant

Date: June 29, 2011



John W. Ciesielski
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Law and Regulatory Affairs
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June 29, 2011

Insurance Commissioner Jay Bradford
Compliance - Life and Health
Arkansas Department of Insurance
1200 West Third Street
Little Rock, AR 72201-1904

Subject: **Aetna Life Insurance Company - NAIC No. 001-60054**
Group Accident & Health Insurance
PPACA Group Policy Provisions-Grandfathered & Non-Grandfathered Plans
GR-29 Group Policy Form: GR-29, 11502-1 ED 3-11, et al]
GR-29N Group Policy Form: GR-29N, 05-03 04, et al

Dear Commissioner:

The Group Policy forms listed on the Attachment A to this filing are being submitted in duplicate for your Department's review and approval on a general use basis. These forms are new and do not replace any previously filed forms. They are in final format rather than being drafts or proofs.

The forms attached to this filing submission will be used for "grandfathered" and "non-grandfathered" plans as explained below.

We intend to use the policy forms listed on Attachment A of this letter with the:

- Wraparound Style Policy Form GR-29 that was approved by your Department on November 17, 1987.
- Wraparound Style Policy Form GR-29N that was approved by your Department on June 23, 2006.

The following information is provided with regard to the contents of this filing submission:

1. **Retroactive Termination**
In response to PPACA regulation 42 USCA Section 300gg-12, Aetna is making an administrative policy change to the affected provisions in its GR-29 and GR-29N policy forms.

This regulation applies to "grandfathered" and "non-grandfathered" plans.

2. **Premium Rebate Allocation and Distribution**

HHS released an interim final rule on December 1, 2010 regarding Medical Loss Ratio requirements (*Health Insurance Issuers Implementing Medical Loss Ratio (MLR) Requirements Under the Patient Protection and Affordable Care Act: Interim Final Rule*). There is a specific provision on group rebates which appears on page 74929 and reads, in pertinent part: "An issuer may meet its obligation to provide any rebate owing to a large or small group enrollee by entering into an agreement with the group Policyholder to distribute the rebate on behalf of the issuer....." The policy insert pages provide information on "Premium Rebate and Allocation Distribution" when performed either by Aetna or the Policyholder.

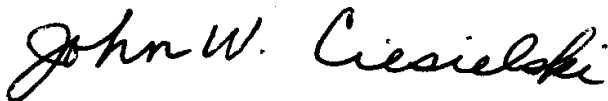
This regulation applies to "grandfathered" and "non-grandfathered plans.

Variability, as indicated by bracketed material on the forms, is required so that only the appropriate language may be reflected on the forms. Upon issuance, the placement of textual material may vary to avoid gaps that would otherwise be created by the deletion of bracketed material. Provisions may appear in sequence other than that shown. Connective words and phrases, which serve the grammatical purpose of meaningful continuity and do not affect the description of the payment of benefits or other terms or conditions of the group policy, may vary as the sense demands. Detailed Explanations of Variable Material have been included.

We request approval of the enclosed forms.

We trust that you will find everything in order, and we look forward to your response. If you have any questions regarding this submission, please do not hesitate to contact me at the above mailing address, telephone number or e-mail address.

Sincerely,

A handwritten signature in black ink that reads "John W. Ciesielski". The signature is written in a cursive, flowing style.

John W Ciesielski
Senior Consultant
Product & Regulatory Affairs

Enclosure(s)

ALIC
PPACA Group Policy Provisions
Attachment A

GR-29 Group Policy Forms:

- GR-29, 11502-1 ED. 3-11
- GR-29, 11496-1 ED. 3-11
- GR-29, 12439 ED. 4-11]

GR-29N Group Policy Forms:

- GR-29N, 05-03 04
- GR-29N, 05-18 01
- GR-29N, 06-01 02

Aetna Life Insurance Company
Explanation of Variability
Group Policy
GR-29N
05-03
04

General Comments

1. This insert page applies to both "grandfathered" and non-grandfathered" plans as defined under the federal PPACA regulations.
2. Variability, as indicated by brackets surrounding variable text, is required so that only the appropriate information will be reflected based upon the plan of benefits or provisions selected by the customer.
3. The placement of the text within the form may vary to avoid gaps that would otherwise be created by the deletion of bracketed text or may be changed to allow the contractual documents to be system produced.
4. Any reference to "Policyholder" may be changed to "Employer", "Association", "Plan Sponsor", "Contract Holder", "Participating Employer", "Member Group" or other term of similar meaning.
5. Any maximums shown in "days" may be changed to the equivalent months or weeks and vice versa.
6. Any references to the words "and Fees" will print when fees are imposed are part of the policyholder's plan.
7. The applicable page number will print.
8. Throughout the form are bracketed time periods which are stated in ranges. These ranges reflect Aetna's standard offerings. However, in some instances, different time periods may print in a form issued to a policyholder but only if they are more liberal to the policyholder or the covered person. Please be assured that these more liberal time periods will not result in a departure from the intent and purpose of the provision and will be in full compliance with any applicable state laws and regulations.
9. The bracketed designations [00000] at the bottom right corner is a field reserved for Aetna's use to allow for the addition of a drafting system code that assists with the electronic assembly of Policyholder specific documents. Upon issue of this form, the bracketed term [State] will be omitted if the page has not been modified due to state mandates. If the page has been modified, then the postal abbreviation of your state may be added to identify that the form is state specific.

Group Policy Insert Sub-Section: GR-29N, 05-03 04

10. **Changes in Premium:** The bracketed paragraph which begins "*However, no such adjustment*" may be replaced with the following wording which references premium changes made in the subsequent term:
"However, no such adjustment will be made:
 - *during the Initial Term except:*
 - *when there is a significant change in factors bearing a material impact on the risk assumed by Aetna; or*
 - *to reflect changes in any law or regulation that applies or a judicial decision having a material impact on the cost of providing Coverage; and*
 - *more than once in the subsequent term or 12 consecutive months except to reflect changes in any law or regulation that applies or a judicial decision having a material impact on the cost of providing coverage."*

Aetna Life Insurance Company
Explanation of Variability
Group Policy
GR-29N
05-03
04

11. **Retroactive Adjustments:** The bracketed phrase "*As to Life, Accident, Disability, Pharmacy, Medical, Dental, Hearing, and Vision insurance coverage:*" will not print when the paragraph applies to all coverage lines under a Policyholder's plan. If it applies only to some of the coverage lines, then it will be modified to include only that coverage/those coverage lines to which this paragraph applies.
12. **Premium Rate Reduction For Failure to Meet Performance Needs:**
 - a. This provision will print if performance guarantees apply to a policyholder's plan.
 - b. An applicability statement may be added as the applicability of this provision may be limited to a certain class(es) of eligible persons and Member Employers under a Policyholder's plan.
 - c. In the second paragraph, the phrase "at the end of the policy year" may be revised to reflect that reductions occur at periodic intervals within the performance guarantee period. The words "the policy year" may be replaced with "a performance guarantee period".
 - d. The third paragraph will be included and will be revised accordingly when the performance guarantees is limited to a specific line of coverage (e.g. Life Insurance), or a combination of coverage (e.g. Life, ADPL, Long Term Disability and Dental). This paragraph will not be included when the performance guarantees apply to all the coverage provided under the Policy.
 - e. In the final paragraph, the term "Service Agreement" may be replaced with a comparable term (e.g. "Service Level Agreement" or "Performance Guarantee Agreement").

Aetna Life Insurance Company
Explanation of Variability
Group Policy
GR-29N
05-18
01

General Comments

1. This insert page applies to both "grandfathered and non-grandfathered" plans as defined under the federal PPACA regulations.
2. Variability, as indicated by brackets surrounding variable text, is required so that only the appropriate information will be reflected based upon the plan of benefits or provisions selected by the Policyholder.
3. The placement of the text within the form may vary to avoid gaps that would otherwise be created by the deletion of bracketed text or may be changed to allow the contractual documents to be system produced.
4. Any references to "policy year" may be changed to "plan year", "calendar year" or "coverage year" as used in a Policyholder's forms
5. Any reference to "Policyholder" may be changed to "Employer", "Association", "Plan Sponsor", "Contract Holder", "Participating Employer", "Member Group" or other term of similar meaning.
6. The bracketed phrases "and state" will print when applicable.
7. As to the bracketed ranges of months appearing on the form, the month agreed to by Aetna and the Policyholder, or the month required by any applicable statute or regulation will appear.
8. Any reference to the title of the form "*Notice of Rebates Form*" will be revised to the most current title.
9. Any maximums shown in "days" may be changed to the equivalent months or weeks and vice versa.
10. The applicable page numbers will print.
11. Throughout the form are bracketed time periods which are stated in ranges. These ranges reflect Aetna's standard offerings. However, in some instances, different time periods may print in a form issued to a Policyholder but only if they are more liberal to the Policyholder or the covered person. Please be assured that these more liberal time periods will not result in a departure from the intent and purpose of the provision and will be in full compliance with any applicable state laws and regulations.
12. The bracketed designations [00000] at the bottom right corner is a field reserved for Aetna's use to allow for the addition of a drafting system code that assists with the electronic assembly of Policyholder specific documents. Upon issue of this form, the bracketed term [State] will be omitted if the page has not been modified due to state mandates. If the page has been modified, then the postal abbreviation of your state may be added to identify that the form is state specific.

GR-29N Insert Page, 05-18 01

13. **Premiums [and Fees]:** The words "and Fees" will print when fees are charged to the Policyholder.
14. **Medical [and Prescription Drug] Coverage:** The words "and Prescription Drug" will print when prescription drug coverage is part of the Policyholder's plan.

Aetna Life Insurance Company
Explanation of Variability
Group Policy
GR-29N
05-18
01

15. *Policyholder Distributes the Premium Rebates:*
- a. This version of the provision applies when the Policyholder distributes the Premium rebates.
 - b. The section reference "*Section 7. Policy and Procedures*" will change to the name of the section that is used within the specific policy issued to the Policyholder.
 - c. As to the following bulleted items, upon issue either both will print or only one of them will print:
 - *comply with any federal [and state] MLR requirements that apply with regard to unclaimed rebates; or*
 - *refund to Us any unclaimed rebates within [30-120 days] of sending out a rebate check.*
16. *Aetna Distributes the Premium Rebates:*
- a. This version of the provision applies when Aetna distributes the Premium rebates.
 - b. As to the following bulleted items, upon issue either both will print or only one of them will print:
 - *the amount of Premium paid by each covered person and the Policyholder; or*
 - *the percentage of total Premium paid by each covered person and the Policyholder.*

Aetna Life Insurance Company
Explanation of Variability
Group Policy
GR-29N
06-01
02

General Comments

1. This insert page applies to both "[grandfathered](#)" and [non-grandfathered](#)" plans as defined under the federal PPACA regulations.
2. Variability, as indicated by brackets surrounding variable text, is required so that only the appropriate information will be reflected based upon the plan of benefits or provisions selected by the customer.
3. Any changes in language on this page would be only in response to a policyholder's request to customize the wording to the extent permitted by any applicable law or regulation.
4. The placement of the text within the form may vary to avoid gaps that would otherwise be created by the deletion of bracketed text or may be changed to allow the contractual documents to be system produced.
5. The references to "employee" may be changed to "subscriber", "enrollee", "member" or other term as applicable to the classification of covered persons under the policyholder's plan.
6. Any references to dependents will be omitted if dependent coverage is not provided under the policyholder's plan.
7. Any reference to "Policyholder" may be changed to "Employer", "Association", "Plan Sponsor", "Contract Holder", "Participating Employer", "Member Group" or other term of similar meaning.
8. References to "Plan Administrator" may be added where these duties have been given to an administrator by the Policyholder. The reference may include the actual name of the Plan Administrator.
9. The references to "Booklet-Certificate" may be changed to "Certificate", "Certificate of Insurance" or some other term of similar meaning as used in a policyholder's forms.
10. Any maximums shown in "days" may be changed to the equivalent months or weeks and vice versa.
11. The page number at the bottom of the form will change as needed.
12. Throughout the form are bracketed time period amounts which are stated in ranges. These ranges reflect Aetna's standard offerings. However, in some instances, different amounts may print in a form issued to a policyholder but only if the amounts are more liberal to the policyholder or the covered person. Please be assured that these more liberal amounts will not result in a departure from the intent and purpose of the provision and will be in full compliance with any applicable state laws and regulations.
13. The bracketed designations [00000] at the bottom right corner is a field reserved for Aetna's use to allow for the addition of a drafting system code that assists with the electronic assembly of Policyholder specific documents. Upon issue of this form, the bracketed term [State] will be omitted if the page has not been modified due to state mandates. If the page has been modified, then the postal abbreviation of your state may be added to identify that the form is state specific.

Aetna Life Insurance Company
Explanation of Variability
Group Policy
GR-29N
06-01
02

Group Policy Insert Sub-Section: GR-29N, 06-01 02

14. **Records:**
- a. This provision may appear as shown or may be revised to reflect a more complete description of the Policyholder's administrative duties.
 - b. The bulleted item referencing "Disclosure of Health Care Information" will not print for Life only policies. When included, the reference to the title of the form may be omitted or revised to the most current title.
 - c. The bracketed phrase "*As to Life, Accident, Disability, Pharmacy, Medical, Dental, Hearing and Vision insurance coverage:*" will not print when the paragraph applies to all products under a Policyholder's plan. If it applies only to some of the products, then it will be modified to include only that coverage to which this paragraph applies.
15. **Forms:** The section reference "*General Provisions*" will be revised to the appropriate title as used in a policyholder's forms.
16. **Continuation Rights [and Conversion]:** The bracketed references to "conversion" will print if applicable to a policyholder's plan either by election by the policyholder or in accordance with any state law or regulation.

GR-29 Policy Insert Page **Explanation of Variability**

GR-29, 11502-1

ED. 3-11

General Explanation:

1. This insert page applies to both ["grandfathered" and "non-grandfathered"] plans as defined under the federal PPACA regulations.
2. Variability, as indicated by brackets surrounding variable text, is required so that only the appropriate information will be reflected based upon the plan of benefits or provisions selected by the customer.
3. The placement of the text within the form may vary to avoid gaps that would otherwise be created by the deletion of bracketed text or may be changed to allow the contractual documents to be system produced.
4. Any reference to "Policyholder" may be changed to "Employer", "Association", "Plan Sponsor", "Contract Holder", "Participating Employer", "Member Group" or other term of similar meaning.
5. Any reference to "Booklet-Certificate" may be changed to "Certificate", "Certificate of Insurance" or some other term of similar meaning as used in a policyholder's forms.
6. Any maximums shown in "days" may be changed to the equivalent months or weeks and vice versa.
7. The applicable page number at the bottom of the form will print.
8. Throughout the form are bracketed time periods which are stated in ranges. These ranges reflect Aetna's standard offerings. However, in some instances, different time periods may print in a form issued to a policyholder but only if they are more liberal to the policyholder. Please be assured that these more liberal amounts will not result in a departure from the intent and purpose of the provision and will be in full compliance with any applicable state laws and regulations.
9. The bracketed designations [00000] at the bottom right corner is a field reserved for Aetna's use to allow for the addition of a drafting system code that assists with the electronic assembly of Policyholder specific documents. Upon issue of this form, the bracketed term [State] will be omitted if the page has not been modified due to state mandates. If the page has been modified, then the postal abbreviation of your state may be added to identify that the form is state specific.

GR-29, 11502-1

ED. 3-11

10. **Retroactive Adjustments:** In the second paragraph, the bracketed phrase "*As to Life, Accident, Disability, Pharmacy, Medical, Dental, Hearing and Vision insurance coverage:*" will not print when the paragraph applies to all products under a Policyholder's plan. If it applies only to some of the products, then it will be modified to include only that coverage to which this paragraph applies.
11. **Grace Period:** The second sentence may be modified if coverage does not automatically terminate at the end of the grace period.
12. Any other changes in language on this insert page would be only in response to a policyholder's request to customize the wording to the extent permitted by any applicable law or regulation.

GR-29 Policy Insert Page **Explanation of Variability**

GR-29, 11496-1

ED. 3-11

General Explanation:

1. This insert page applies to both "grandfathered" and non-grandfathered" plans as defined under the federal PPACA regulations.
2. Variability, as indicated by bracketed material, is required so that only the appropriate provisions and information for each specific policyholder may be reflected. There may be some variation in the placement of contract provisions to eliminate gaps resulting from the deletion of language not required for a particular plan.
3. Any changes in language on this page would be only in response to a policyholder's request to customize the wording to the extent permitted by any applicable law or regulation.
4. The forms contain general policy provisions specific to the relationship between Aetna and the policyholder. The language may appear as shown or may be changed to reflect a more complete description of the Policyholder's administrative duties.
5. The references to "employee" may be changed to "subscriber", "enrollee", "member" or other term as applicable to the classification of covered persons under the policyholder's plan.
6. Any reference to "Policyholder" may be changed to "Employer", "Association", "Plan Sponsor", "Contract Holder", "Participating Employer", "Member Group" or other term of similar meaning.
7. References to "Plan Administrator" may be added where these duties have been given to an administrator by the Policyholder. The reference may include the actual name of the Plan Administrator.
8. The references to "Booklet-Certificate" may be changed to "Certificate", "Certificate of Insurance" or some other term of similar meaning as used in a policyholder's forms.
9. Any maximums shown in "days" may be changed to the equivalent months or weeks and vice versa.
10. The applicable page number will print.
11. Throughout the form are bracketed time periods which are stated in ranges. These ranges reflect Aetna's standard offerings. However, in some instances, different time periods may print in a form issued to a policyholder but only if they are more liberal to the policyholder or the covered person. Please be assured that these more liberal time periods will not result in a departure from the intent and purpose of the provision and will be in full compliance with any applicable state laws and regulations.
12. The bracketed designations [00000] at the bottom right corner is a field reserved for Aetna's use to allow for the addition of a drafting system code that assists with the electronic assembly of Policyholder specific documents. Upon issue of this form, the bracketed term [State] will be omitted if the page has not been modified due to state mandates. If the page has been modified, then the postal abbreviation of your state may be added to identify that the form is state specific.

GR-29 Policy Insert Page
Explanation of Variability

GR-29, 11496-1

ED. 3-11

13. Item 2. may be omitted for Life only or Disability Income only policies. When included, the reference to the title of the form "a *Disclosure of Healthcare Information*" may be omitted or revised to the most current title.
14. The reference to COBRA will be omitted if the Policyholder is not subject to COBRA.
15. In the first paragraph on the second page, the bracketed phrase "*As to Life, Accident, Disability, Pharmacy, Medical, Dental, Hearing and Vision insurance coverage:*" will not print when the paragraph applies to all products under a Policyholder's plan. If it applies only to some of the products, then it will be modified to include only that coverage to which this paragraph applies.

GR-29 Policy Insert Page
Explanation of Variability

GR-29, 12439
ED. 4-11

General Explanation:

1. This insert page applies to both ["grandfathered and non-grandfathered"] plans as defined under the federal PPACA regulations.
2. Variability, as indicated by brackets surrounding variable text, is required so that only the appropriate information will be reflected based upon the plan of benefits or provisions selected by the Policyholder.
3. The placement of the text within the form may vary to avoid gaps that would otherwise be created by the deletion of bracketed text or may be changed to allow the contractual documents to be system produced.
4. Any references to "policy year" may be changed to "plan year", "calendar year" or "coverage year" as used in a Policyholder's forms.
5. Any reference to "Policyholder" may be changed to "Employer", "Association", "Plan Sponsor", "Contract Holder", "Participating Employer", "Member Group" or other term of similar meaning.
6. The bracketed phrases "and state" will print when applicable.
7. As to the bracketed ranges of months appearing on the form, the month agreed to by Aetna and the Policyholder, or month required by any applicable statute or regulation will print.
8. Any reference to the title of the form "*Notice of Rebates Form*" will be revised to the most current title.
9. Any maximums shown in "days" may be changed to the equivalent months or weeks and vice versa.
10. The applicable page numbers at the bottom will print.
11. Throughout the form are bracketed time periods which are stated in ranges. These ranges reflect Aetna's standard offerings. However, in some instances, different time periods may print in a form issued to a Policyholder but only if they are more liberal to the Policyholder or the covered person. Please be assured that these more liberal time periods will not result in a departure from the intent and purpose of the provision and will be in full compliance with any applicable state laws and regulations.
12. The bracketed designations [00000] at the bottom right corner is a field reserved for Aetna's use to allow for the addition of a drafting system code that assists with the electronic assembly of Policyholder specific documents. Upon issue of this form, the bracketed term [State] will be omitted if the page has not been modified due to state mandates. If the page has been modified, then the postal abbreviation of your state may be added to identify that the form is state specific.

GR-29 Insert Page, 12439 ED. 4-11

13. **Premium Rebate Allocation and Distribution:** The words "and Prescription Drug" will print when prescription drug coverage is part of the Policyholder's plan.

GR-29 Policy Insert Page
Explanation of Variability

GR-29, 12439
ED. 4-11

14. *Policyholder Distributes the Premium Rebates:*
 - a. This version of the provision will apply when the Policyholder distributes the Premium rebates.
 - b. The section reference "*Administrative Matters*" will change to the name of the section that is used within the specific policy issued to a Policyholder.
 - c. As to the following bulleted items, upon issue either both will print or only one of them will print:
 - *comply with any federal [and state] MLR requirements that apply with regard to unclaimed rebates; or*
 - *refund to Aetna any unclaimed rebates within [30-120 days] of sending out a rebate check.*
15. *Aetna Distributes the Premium Rebates:*
 - a. This version of the provision will apply when Aetna distributes the Premium rebates.
 - b. As to the following bulleted items, upon issue either both will print or only one of them will print:
 - *the amount of Premium paid by each covered person and the Policyholder; or*
 - *the percentage of total Premium paid by each covered person and the Policyholder.*